

**CITY OF LODI  
INFORMAL INFORMATIONAL MEETING  
"SHIRTSLEEVE" SESSION  
CARNEGIE FORUM, 305 WEST PINE STREET  
TUESDAY, SEPTEMBER 24, 2002**

An Informal Informational Meeting ("Shirtsleeve" Session) of the Lodi City Council was held Tuesday, September 24, 2002 commencing at 7:10 a.m.

**A. ROLL CALL**

Present: Council Members – Hitchcock, Howard, and Nakanishi  
Absent: Council Members – Land and Mayor Pennino  
Also Present: City Manager Flynn, City Attorney Hays, and City Clerk Blackston

**B. CITY COUNCIL CALENDAR UPDATE**

City Clerk Blackston reviewed the weekly calendar (filed).

**C. TOPIC(S)**

**C-1 "Electric Utility Revenues"**

City Manager Flynn reported that in August 2002 a bill was received from the Northern California Power Agency (NCPA) in the amount of \$5 million. After looking at cash in Electric Utility, it was determined that the City did not have sufficient funds in its checking account in order to make the payment to NCPA.

NOTE: Documents identified for the record as Exhibits A through G are filed in the City Clerk's Office.

Referencing a spreadsheet document distributed to Council (Exhibit A) Mr. Flynn reported the following:

- In October 2000 there was approximately \$15 million in Electric Utility cash.
- At the end of August 2002 the cash amount dropped to \$3.4 million.
- The gray area on the spreadsheet indicates the period of time when the NCPA bill was held due to insufficient funds; the bill was paid in September.

Mr. Flynn expressed concern that 24 months ago, before the volatility in the electric power market occurred, the Utility had \$17 million in its reserve account. He recalled that in January the City borrowed an additional \$8.5 million for cash flow. Both the \$17 million and \$8.5 million are now gone. He believed that according to projections and certain actions taken by the Council, the Utility could end this fiscal year in a strong position. He asked the Finance Director to review staff's analyses to "lay the groundwork" for what may be a recommendation to Council on October 16 for an electric rate increase.

Referencing Exhibit B, Finance Director McAthie explained that the report compares the 2001-02 budget to actual amounts and shows strictly the cash position; accruals were stripped out. Ms. McAthie reported the following:

- Total revenue the Utility projected in cash was \$49.4 million; actual amount received was \$49.9 million.
- Expenditures in Operating were budgeted at \$11.9 million; actual amount spent was \$10.7 million.
- Bulk power purchase was budgeted at \$30.5 million; actual amount spent was \$46,188,000.
- Other purchases were budgeted at \$520,000; actual amount spent was \$72,000 for a vehicle.

- Capital projects were budgeted at \$8.7 million; actual amount spent was \$5.6 million. Ms. McAthie noted that this is reimbursable, i.e., where the City gets a draw down from the bond issue that was sold.
- Debt service projected on the old bond was \$1.3 million. Ms. McAthie recalled that the City refunded those and did other bond issues. The debt service was \$2.2 million and a significant portion of that was reimbursable from the trustee.
- Revenues versus Expenditures – the Utility had expected a difference of \$3.7 million; the actual difference was \$15 million, due to the bulk power purchase.
- Other Sources – \$800,000 was for the land that was sold.
- Operating Transfers Out was for cost allocation plan and medical.
- The cost of medical was \$562,000.
- Proceeds from the debt financing were received; the cash flow taxable issue that was borrowed was \$8.2 million.
- As of June 30, 2002 the entire Electric Utility cash amount was \$2.4 million.

Referencing Exhibit C, Ms. McAthie explained that the report analyzes Electric Utility sub funds of operating, capital, rate stabilization, cash flow, bond coverage, and public benefits. It represents the cash flow for one year. In August the cash totaled \$6.7 million. Due to the purchase of power, the cash balance on September 17 was \$3.1 million. What was not paid at this point was the NCPA bill of \$3.1 million, nor was the transfer made to the general fund, to the medical funds for the cost allocation, or the in-lieu. Previously, the entire transfer was made on July 1; however, they are now made at the end of each quarter to assist the Utility with its cash flow. At the end of September approximately \$1.8 million will be transferred.

Referencing Exhibit D, Ms. McAthie explained that the spreadsheet shows what actually happened through the end of August, while Exhibit E covers a ten-month period through June 2003 using projections from Electric Utility. Operating and other revenue is projected at \$138 million. Operating expenses, bulk power, debt service, and other expenditures are projected at \$153 million. Expenditures exceed revenue by \$15.4 million. As of June 2003 a \$2.1 million fund balance, as cash, is projected. Due to the \$8.2 million borrowed for cash flow, a \$3.9 million debt service balloon payment is due June 2003. Ms. McAthie explained that would leave \$4.3 million that the Utility would have borrowed for cash flow, yet there is only \$2.1 million, indicating that the cash flow money borrowed is being used for operating expenditures.

Referring back to Exhibit A, Ms. McAthie explained that it shows the actuals through August 2002. The operating revenue was \$98.2 million and operating expenditures were \$108.7 million, which exceed revenue by \$10.5 million. The transfer is not included in this report, nor is the balloon payment due in June 2003.

Ms. McAthie pointed out that even with the rate adjustments that went into effect in January, operating revenue is \$40.7 million compared to the total operating expenditures of \$41.2 million. The bulk power totals \$33.4 million, compared to \$31 million in revenue.

City Manager Flynn voiced his concern that revenues are not sufficient to cover the bulk power cost.

Ms. McAthie interjected that other costs that should also be considered are the transfers and keeping the cash flow of \$8.2 million. She emphasized that as of the end of August the Utility was projected to have only a \$3.4 million cash balance.

Referencing Exhibit F, Ms. McAthie explained that the report adds in Electric Utility's projections through December 2002. She noted that they are flat lined and "a little optimistic." The report shows an operating revenue of \$59.3 million and operating expenditures of \$57 million. She pointed out that it needs to be put in context with the fact that it represents only two quarters worth of the transfer and the balloon payment of \$3.9 million is due at the end of June.

Referencing Exhibit G, Ms. McAthie reported that the spreadsheet describes Electric Utility cash from July 2002 through June 2003. Operating revenue is \$49.3 million, with operating expenditures of \$50.3 million. Other expenditures show the \$1.8 million in four quarterly payments, which is the transfer to the general fund for cost allocation and medical insurance. The balloon payment on the taxable issue is \$3.9 million. The cash balance shown is \$2.1 million. In order to cover the balance of the taxable issue, the cash balance should be \$4.3 million.

Electric Utility Director Vallow stated that the Utility has gone into the second year of "cutting everything we can possibly cut." He stated that out of a \$50 million budget, only \$5 million is discretionary. Approximately 20% was cut for the third year. This year the public benefits program expenditures were greatly reduced. The Utility is actively pursuing new generation projects as a way to lower the Independent System Operator (ISO) cost. CalPeak Power and Calpine have expressed an interest in locating a peaking power plant within the city limits of Lodi. Mr. Vallow reported that the ISO cost represents an increase to the Utility of approximately \$1.6 million. He estimated that an electric rate increase of 5% to 7% will be needed.

In answer to inquiries by Council Member Nakanishi, Mr. Vallow explained that the Market Cost Adjustment (MCA) was for the purpose of handling risk exposure. The increased ISO cost is a base cost, which is taken care of through rates. He stated that on average, Lodi Electric Utility's business customers currently have a 30% advantage over Pacific Gas and Electric's rates.

In reply to Council Member Howard, Mr. Vallow confirmed that on October 16 Council will be receiving spreadsheet reports for a 15-year projection, which will include the recommended rate increases. He noted that it will show the MCA shrinking due to normal load growth. In addition, a spreadsheet report for a five-year period will be provided to Council projecting increases in operating expenditures.

In response to Council Member Nakanishi, Mr. Vallow reported that the MCA is "exactly where it needs to be" and the Utility's models will not show it being decreased either this fiscal year or the next.

Mayor Pro Tempore Hitchcock asked how much the MCA annually adds to the revenues, to which Mr. Vallow answered \$8.4 million this fiscal year. Ms. Hitchcock did not believe the general fund should capitalize on what has happened to the rate structure. She suggested that the transfer to the general fund be reduced instead of raising rates, or to lessen the amount needed for a rate increase. She asked for a history of the general fund transfers over the past ten years.

City Manager Flynn and Council Member Nakanishi expressed support for reducing the general fund transfer.

Ms. McAthie pointed out that the \$1.8 million quarterly transfer now also includes the cost allocation plan, medical, liability insurance, and workers compensation, which previously had been done by a direct charge to the Utility. In addition, she clarified that the only transfer related to the MCA was for \$32,000. The budget projection transfer of \$900,000 was never made.

In reply to Mayor Pro Tempore Hitchcock, Mr. Vallow explained that AB 1890 requires that 2.85% of operating revenues must be spent in four public benefit categories. Five years worth of those revenues must be spent over a seven-year period of time. The Utility collects 2.5% through rates and the remaining percentage comes from activities associated with the bulk power bill. He reported that the Utility is now \$500,000 to \$750,000 ahead. In reference to the money borrowed to construct a new Electric Utility building, Mr. Vallow stated it has been set aside, and the City has three and a half to five years to begin expending the funds on construction. He stated that the Utility is exploring different ways to build these types of facilities, such as public/private partnerships.

*Continued September 24, 2002*

Referencing Exhibit E, Mr. Flynn pointed out that monthly bulk power cost ranges from a high this month of \$3.1 million, then drops to \$2.4 million, and remains at \$2.5 million through June 2003. He reported that in the last eight months the power cost has averaged \$4.1 million per month. With the ISO increase of \$1.1 million, the monthly power cost would be \$5.2 million. He cautioned that over the next nine months, power costs need to be monitored closely.

Mr. Vallow stated that he asked Sandra McDonald last week to begin developing a fuel management plan specifically for the City of Lodi.

**D. COMMENTS BY THE PUBLIC ON NON-AGENDA ITEMS**

None.

**E. ADJOURNMENT**

No action was taken by the City Council. The meeting was adjourned at 8:21 a.m.

ATTEST:

Susan J. Blackston  
City Clerk

## Mayor's & Council Member's Weekly Calendar

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### WEEK OF SEPTEMBER 24, 2002

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#### Tuesday, September 24, 2002

- 7:00 a.m. Special City Council Meeting  
1. Adopt resolution accepting Harney Lane and Stockton Street Frontage Improvements in Parisis Ranch, Tract No. 3111 (PW)  
Shirtsleeve Session  
1. Electric Utility Revenues (EUD)
- 4:00 – 6:00 p.m. LUSD New Teacher Reception, Lodi Wine and Visitors Center, 2545 West Turner Road.

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#### Wednesday, September 25, 2002

- Reminder** **Hitchcock & Land. 2002 NCPA Annual Meeting in Monterey, September 25-27**
- 5:30 p.m. 'My Little Sisters Salon' and '2-illuminate' Joint Ribbon Cutting and Grand Opening - 11 North School Street and 13 North School Street
- 7:00 p.m. Reception and dinner honoring The Court of Appeal Third Appellate District, Radisson Hotel, Stockton.

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#### Thursday, September 26, 2002

- Reminder** **Hitchcock & Land. 2002 NCPA Annual Meeting in Monterey, September 25-27**
- Canceled San Joaquin Partnership Board Meeting.
- 5:00 p.m. **Pennino.** San Joaquin COG Meeting, 6 South El Dorado Street, Pacific State Bank Building, COG Conference Room, Stockton.
- 1:00 – 4:00 p.m. Open House, Health for All Adult Health Care Center, 125 S. Washington
- 6:00 p.m. Evening of Good Will honoring Robert Kavanaugh, Stockton Civic Auditorium.
- 5:00 – 7:00 p.m. Gathering to announce Bozant and Lorraine Katzakian Foundation.

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#### Friday, September 27, 2002

- 12:00 p.m. noon **Land.** Governmental Relations Committee Meeting, Lodi District Chamber of Commerce ~ Conference Room
- 5:00 – 7:00 p.m. **Pennino.** "Lodi Wine Live", Lodi Wine and Visitor Center.

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#### Saturday, September 28, 2002

- 6:00 p.m. **Pennino, Hitchcock, and Howard.** Lodi Public Library Foundation's 2<sup>nd</sup> Annual Dinner, 201 West Locust Street, Lodi.

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#### Sunday, September 29, 2002

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#### Monday, September 30, 2002

- 6:30 – 10:00 p.m. **Pennino and Nakanishi.** Salvation Army Annual Dinner at Wine & Roses

**Disclaimer: This calendar contains only information that was provided to the City Clerk's office**  
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Exhibit A

(Filed 7-27-02)

Electric Utility Cash  
From October 1, 2000 through August 2002

Date	Operating Revenue	Capital Revenue	Other Revenue	Revenue Total	Bulk Power	Operating Exp	Capital Expenditures	Debt Service	Other Expenditures	Exp Total	Net Cash Activity	Cash Balance
Beginning Cash Balance												13,223,733.06
2000/10	5,136,939.34		163,660.19	5,300,599.53	2,106,073.83	569,534.59	199,371.27		-	2,868,979.69	2,431,619.84	15,655,322.90
2000/11	2,653,304.97	1,162,515.20	60,515.71	3,876,335.88	2,503,278.82	522,540.46	315,206.78		-	3,341,026.06	535,309.82	16,190,632.72
2000/12	2,895,803.73		233,850.89	3,129,654.62	5,314,037.28	615,939.62	143,158.55		-	6,073,135.45	(2,943,481.03)	13,246,951.69
2001/1	3,155,241.00	739,420.28	320,392.04	4,215,053.32	4,408,440.13	615,457.98	344,911.41		695,717.50	6,064,527.02	(1,848,473.70)	11,398,477.99
2001/2	2,549,729.00		1,441,534.22	3,991,263.22	2,643,195.02	529,390.05	160,343.35		-	3,232,928.42	758,364.80	12,156,842.79
2001/3	2,896,430.00		136,182.07	3,034,612.07	5,598,218.35	575,784.04	245,620.42		-	6,420,623.81	(3,386,011.74)	8,769,831.05
2001/4	2,293,942.00		125,524.97	2,419,466.97	1,956,886.77	613,353.11	225,569.06		-	2,795,808.94	(376,341.97)	8,393,489.08
2001/5	2,690,333.00	913,205.79	20,177.26	3,623,716.08	5,674,405.67	696,666.63	256,219.72		-	6,627,294.02	(3,203,577.94)	5,189,911.14
2001/6	3,347,613.00			3,347,613.00	572,567.00	967,659.63	210,208.35		-	1,750,434.98	1,597,178.02	6,787,089.16
2001/7	4,432,753.00		4,963,809.64	9,396,562.64	2,525,207.00	327,933.03	56,189.74		9,540,781.36	13,157,828.53	(8,194,018.99)	(1,406,929.53)
2001/8	4,509,130.00	686,333.24	10,519.00	5,205,982.24	1,688,198.18	740,852.04	280,575.21		9,540,781.36	2,680,625.43	2,516,356.81	1,109,426.96
2001/9	3,784,816.00	2,855,662.72		6,640,478.72	3,548,967.73	512,749.50	320,119.81		76,649.85	4,459,486.89	2,180,991.83	3,290,418.81
2001/10	6,276,536.00	692,529.49		6,969,065.49	4,969,230.31	503,889.65	369,582.06		73,870.54	5,616,572.56	1,352,492.93	4,642,911.74
2001/11	4,737,348.00			4,737,348.00	656,032.18	471,462.27	418,369.09		381,893.38	1,927,756.92	2,809,591.08	7,452,502.82
2001/12	3,090,818.00			3,090,818.00	6,814,215.78	308,410.20	256,625.10		(4,270.23)	7,385,180.85	(4,294,362.85)	3,158,139.97
2002/1	3,820,205.00	817,851.38	8,228,126.05	12,867,182.43	8,631,422.65	702,555.71	144,065.79		368,948.32	9,847,792.47	3,019,389.96	6,177,529.93
2002/2	3,382,753.00		50,356.68	3,433,109.68	3,063,339.33	543,429.34	214,407.39		0.00	3,821,176.06	(388,066.40)	5,789,463.53
2002/3	3,522,202.00		6,147.68	3,528,349.68	3,745,828.68	668,338.20	291,373.43		-	4,705,540.31	(1,177,190.63)	4,612,272.90
2002/4	3,613,111.00	932,026.99		4,545,137.99	116,232.23	652,938.44	212,531.74		288,040.55	1,271,743.96	3,273,394.03	7,885,666.93
2002/5	3,281,071.00		802,861.42	4,083,932.42	6,803,008.18	536,550.11	243,400.03		0.00	7,582,958.32	(5,499,025.90)	4,386,641.03
2002/6	3,667,926.00		554,048.41	4,221,974.41	3,923,728.00	830,426.72	207,627.61		1,221,194.44	6,182,979.77	(1,961,005.36)	2,425,635.67
2002/7	4,969,659.00			4,969,659.00	3,911,348.71	584,958.32	139,102.44		641,780.61	4,977,190.08	(307,531.08)	2,118,104.59
2002/8	5,132,078.84	721,546.27		5,853,625.11	3,313,330.49	612,059.24	195,765.17		115,422.55	4,136,577.45	4,817,048.66	6,735,153.25
					3,265,770.00					3,265,770.00	(3,265,770.00)	3,469,383.25
Grand Total	85,541,743.88	9,521,091.36	12,665,753.04	107,748,588.28	80,990,193.32	13,697,854.88	5,453,343.62	2,961,577.76	11,114,168.61	114,237,138.08	(6,488,548.81)	

Operating Revenue	98,227,496.92
Expenditures:	
Bulk Power	(80,990,193.32)
Operating Expense	(13,697,854.88)
Debt service	(2,961,577.76)
Other Expenditures	(11,114,168.61)
Subtotal	(108,783,794.57)
Difference	(10,556,297.65)

2001-03 FINANCIAL PLAN AND SUMMARY

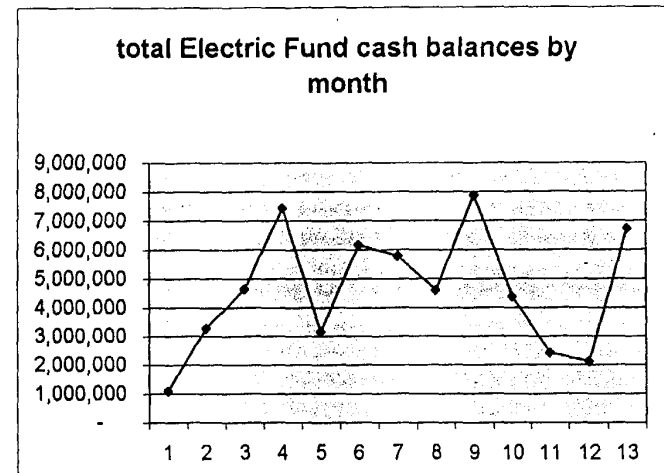
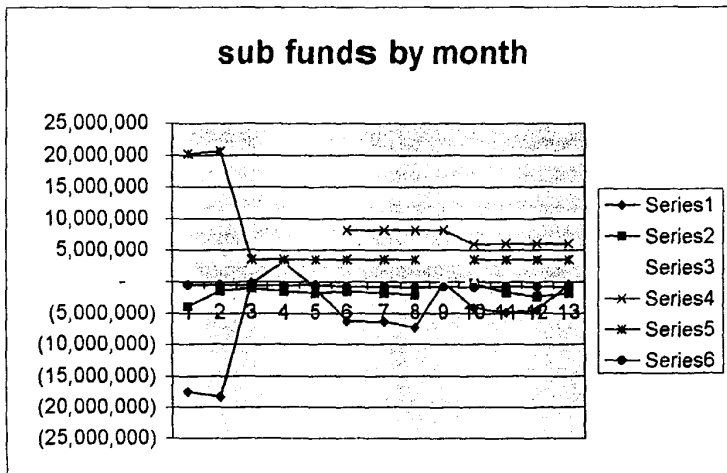
Exhibit B

CHANGES IN FUND BALANCE - ELECTRIC FUND

	2001-02 Budget	2001-02 Actual	Difference
<b>Revenues</b>			
Tax Revenues			
Licenses and Permits			
Fines and Forfeitures			
Investment/Property Revenues	3,278,440	1,919,889	(1,358,551)
Revenue from Others			
Service Charges	46,134,260	47,949,342	1,815,082
Other Revenue	2,000	100,173	98,173
<b>Total Revenue</b>	<b>49,414,700</b>	<b>49,969,404</b>	<b>554,704</b>
<b>Expenditures</b>			
Operating Programs			
Public Safety			
Public Utilities	11,915,545	10,751,962	(1,163,583)
Transportation			
Leisure, Cultural and Social Services			
Community and Economic Development			
General Government			
<b>Total Operating Programs</b>	<b>11,915,545</b>	<b>10,751,962</b>	<b>(1,163,583)</b>
Bulk Power Purchase	30,551,000	46,188,406	15,637,406
Other Purchases	520,000	72,795	(447,205)
Capital Projects	8,781,025	5,606,965	(3,174,060)
Debt Service	1,391,435	2,285,859	894,424
<b>Total Expenditures</b>	<b>53,159,005</b>	<b>64,905,987</b>	<b>11,746,982</b>
<b>Revenues/Expenditures (Over/Under)</b>	<b>(3,744,305)</b>	<b>(14,936,583)</b>	<b>(11,192,278)</b>
<b>Other Sources (Uses)</b>			
Operating Transfers In	0	800,000	800,000
Operating Transfers Out	(2,318,035)	(3,835,546)	(1,517,511)
Other Sources (Uses)		5,922,842	5,922,842
Cost of Medical Care/Dental, Vision	(286,395)	(562,167)	(275,772)
Proceeds from Debt financing	8,360,250	8,250,000	(110,250)
<b>Total Other Sources (Uses)</b>	<b>5,755,820</b>	<b>10,575,129</b>	<b>4,819,309</b>
<b>Fund Balance Beginning of the Year</b>	<b>6,787,089</b>	<b>6,787,089</b>	
<b>Fund Balance End of the Year</b>			
Reserved for Debt Service			
Designated Reserve	8,798,605	2,425,635	
Unreserved			
<b>Total Fund Balance</b>	<b>8,798,605 *</b>	<b>2,425,635 *</b>	<b>(6,372,969)</b>

Exhibit C

One Year of Cash Flows by Month - Electric Utility							
	Operating	Capital	Rate Stab	Cash Flow Fund	Bond Coverage	Pub Ben	Total Fund
Change in cash Month to Month							
2001							
Aug	(17,467,938)	(3,954,335)	2,742,252		20,253,261	(463,813)	1,109,427
Sept	(18,294,257)	(1,412,265)	2,796,859		20,656,568	(456,486)	3,290,419
Oct	(156,404)	(1,068,734)	2,808,701		3,584,480	(525,131)	4,642,912
Nov	3,091,400	(1,524,764)	2,823,568		3,584,480	(522,181)	7,452,503
Dec	(952,317)	(1,800,584)	2,823,673		3,584,480	(497,112)	3,158,140
Jan 2002	(6,213,137)	(1,513,036)	2,832,636	8,250,000	3,584,480	(763,413)	6,177,530
Feb	(6,376,675)	(1,772,660)	2,896,413	8,250,000	3,584,480	(792,094)	5,789,464
March	(7,285,768)	(2,067,891)	2,926,026	8,250,000	3,584,480	(794,574)	4,612,273
April	(62,443)		473,019	8,250,000		(774,909)	7,885,667
May	(4,080,007)	(260,418)	-	5,952,310	3,584,480	(809,723)	4,386,641
June	(4,821,151)	(1,655,100)		6,052,654	3,584,480	(735,247)	2,425,635
July	(4,465,878)	(2,325,895)		6,052,654	3,584,480	(727,256)	2,118,104
Aug	(347,242)	(1,804,506)		6,052,654	3,584,480	(750,234)	6,735,152
Sept	(3,777,922)	(1,891,546)		6,052,654	3,584,480	(820,812)	3,146,854





Electric Utility Cash  
From January 2002 through August 31, 2002

Exhibit D

Date	Operating Revenue	Capital Revenue	Other Revenue	Revenue Total	Bulk Power	Operating Exp	Capital Expenditures	Debt Service	Other Expenditures	Exp Total	Net Cash Activity	Cash Balance
Beginning Cash Balance												3,158,139.97
2002/1	3,820,205.00	817,851.38	8,228,126.05	12,867,182.43	8,531,422.65	702,555.71	144,865.79	368,948.32	-	9,847,792.47	3,019,389.96	6,177,529.93
2002/2	3,382,753.00	-	50,356.66	3,433,109.66	3,063,339.33	543,429.34	214,407.39	-	0.00	3,821,176.06	(388,066.40)	5,789,463.53
2002/3	3,522,202.00	-	5,147.68	3,528,349.68	3,745,828.68	668,338.20	291,373.43	-	-	4,705,540.31	(1,177,190.63)	4,612,272.90
2002/4	3,613,111.00	932,026.99	-	4,545,137.99	116,232.23	652,539.44	212,531.74	-	288,040.55	1,271,743.96	3,273,394.03	7,885,666.93
2002/5	3,281,071.00	-	802,861.42	4,083,932.42	6,803,908.18	536,550.11	243,400.03	-	0.00	7,582,958.32	(3,499,025.90)	4,386,641.03
2002/6	3,667,926.00	-	554,048.41	4,221,974.41	3,923,728.00	830,429.72	207,527.61	1,221,194.44	-	6,182,978.77	(1,961,005.36)	2,425,635.67
2002/7	4,669,659.00	-	-	4,669,659.00	3,611,348.71	584,958.32	139,102.44	-	641,780.61	4,977,190.08	(307,531.08)	2,118,104.59
2002/8	5,132,079.84	721,546.27	-	5,853,626.11	3,133,333.59	612,059.24	195,765.17	-	115,422.55	3,265,770.00	(2,655,770.00)	3,469,383.25
Grand Total	31,089,006.84	2,471,424.64	9,642,540.22	43,202,971.70	33,476,008.27	5,131,260.08	1,649,073.60	1,590,142.76	1,045,243.71	42,891,728.42	311,243.28	

Operating Revenue	40,731,547.06
Expenditures:	
Bulk Power	(33,476,008.27)
Operating Expense	(5,131,260.08)
Debt service	(1,590,142.76)
Other Expenditures	(1,045,243.71)
Subtotal	(41,242,654.82)
Difference	(511,107.76)

Electric Utility Cash  
From October 1, 2000 through June 2003

Exhibit E

Date	Operating Revenue	Capital Revenue	Other Revenue	Revenue Total	Bulk Power	Operating Exp	Capital Expenditures	Debt Service	Other Expenditures	Exp Total	Net Cash Activity	Cash Balance
Beginning Cash Balance												13,223,703.06
2000/10	5,136,939.34		163,860.19	5,300,599.53	2,106,073.83	563,534.59	199,371.27		-	2,868,979.69	2,431,619.84	15,655,322.90
2000/11	2,653,304.97	1,162,515.20	60,515.71	3,876,335.88	2,503,278.82	522,540.46	315,206.78		-	3,341,026.06	535,309.82	16,190,632.72
2000/12	2,695,803.73		233,650.69	3,129,454.42	5,314,037.26	615,939.82	143,158.55		-	6,073,135.45	(2,943,681.03)	13,246,951.69
2001/1	3,155,241.00	739,420.28	320,392.04	4,215,053.32	4,408,440.13	615,487.96	344,811.41	695,717.50		6,064,527.02	(1,849,473.70)	11,397,477.99
2001/2	2,548,729.00		1,441,534.22	3,991,263.22	2,543,195.02	529,360.05	160,343.35		-	3,232,898.42	758,364.80	12,155,842.79
2001/3	2,898,430.00		136,182.07	3,034,612.07	5,596,219.35	576,784.04	245,620.42		-	6,420,623.81	(3,386,011.74)	8,769,831.05
2001/4	2,293,942.00		125,524.87	2,419,466.87	3,956,886.77	613,353.11	225,569.06		-	2,785,808.94	(376,341.97)	8,393,489.08
2001/5	2,690,333.00	913,205.78	20,177.29	3,623,716.06	5,874,405.67	696,568.63	256,219.72		-	6,827,294.02	(3,203,577.94)	5,189,911.14
2001/6	3,347,613.00			3,347,613.00	572,867.00	967,659.63	210,208.35		-	1,750,434.98	1,597,178.02	6,787,089.16
2001/7	4,432,753.00		531,056.64	4,963,809.64	2,525,207.00	327,933.03	68,189.74	695,717.50	9,540,781.36	13,157,828.63	(8,194,018.99)	1,406,929.83
2001/8	4,509,130.00	686,333.24	10,519.00	5,205,982.24	1,688,196.16	740,852.04	260,575.21		-	2,689,625.43	2,516,356.81	1,109,426.96
2001/9	3,784,816.00	2,855,662.72		6,640,478.72	3,549,967.73	512,749.50	320,119.81		76,649.85	4,459,486.89	2,180,991.83	3,290,418.81
2001/10	6,276,536.00	692,629.49		6,969,065.49	4,669,230.31	503,589.05	369,562.06		73,870.54	5,816,572.56	1,352,492.93	4,642,911.74
2001/11	4,737,348.00		4,737,348.00	656,632.16	471,482.27	418,369.09	361,893.38		1,927,756.92	2,869,891.08	7,492,902.82	12,135,814.56
2001/12	3,090,818.00			3,090,818.00	6,814,215.78	308,410.20	266,825.10		(4,270.23)	7,385,180.85	(4,294,362.85)	3,156,139.67
2002/1	3,620,205.00	817,851.38	8,229,126.05	12,667,182.43	6,631,422.65	702,555.71	144,865.79	368,948.32		9,847,782.47	(7,227,597.04)	5,928,542.63
2002/2	3,382,753.00		50,356.66	3,433,109.66	3,083,339.33	543,428.34	214,407.39		0.00	3,821,176.06	(388,066.40)	5,540,476.23
2002/3	3,522,202.00		6,147.68	3,528,349.68	3,745,828.68	668,338.20	291,273.43		-	4,705,540.31	(1,177,190.63)	4,363,285.60
2002/4	3,813,111.00	932,026.99		4,745,137.99	116,232.23	652,939.44	212,531.74		288,040.55	1,271,743.96	3,273,294.03	7,636,579.63
2002/5	3,281,071.00		802,861.42	4,083,932.42	8,803,008.18	536,550.11	243,400.03		0.00	7,582,958.32	(3,498,925.90)	4,138,053.73
2002/6	3,687,826.00		554,048.41	4,241,874.41	3,923,728.00	830,429.72	207,827.81	1,221,194.44		6,182,979.77	(1,941,105.36)	2,425,635.67
2002/7	4,669,659.00			4,669,659.00	3,611,348.71	584,958.32	139,102.44		641,780.51	4,977,190.08	(307,531.08)	2,118,104.59
2002/8	5,132,079.84	721,546.27		5,853,626.11	3,255,200.00	612,059.24	195,765.17		115,422.55	3,265,770.00	(2,412,143.89)	6,735,153.25
2002/9	4,989,100.00			4,989,100.00	3,100,000.00	475,000.00	290,000.00		1,800,000.00	5,665,000.00	(675,900.00)	2,793,483.25
2002/10	5,828,600.00	624,867.61		6,453,467.61	2,400,000.00	475,000.00	290,000.00		3,165,000.00	3,165,000.00	2,988,367.61	5,781,850.86
2002/11	4,352,600.00			4,352,600.00	2,400,000.00	475,000.00	290,000.00		1,187,600.00	3,165,000.00	1,187,600.00	6,969,450.86
2002/12	3,717,300.00			3,717,300.00	2,400,000.00	475,000.00	290,000.00		1,800,000.00	4,965,000.00	(1,247,700.00)	5,721,750.86
2003/1	3,524,300.00	870,000.00		4,394,300.00	2,500,000.00	475,000.00	290,000.00		3,265,000.00	3,265,000.00	1,129,300.00	6,851,050.86
2003/2	3,548,000.00			3,548,000.00	2,500,000.00	475,000.00	290,000.00		3,265,000.00	3,265,000.00	283,000.00	7,134,050.86
2003/3	3,436,800.00			3,436,800.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	5,065,000.00	(1,628,200.00)	5,505,850.86
2003/4	3,157,700.00	870,000.00		4,027,700.00	2,500,000.00	475,000.00	290,000.00		3,265,000.00	3,265,000.00	772,700.00	6,278,550.86
2003/5	3,600,600.00			3,600,600.00	2,500,000.00	475,000.00	290,000.00		3,265,000.00	3,265,000.00	335,600.00	6,614,150.86
2003/6	3,635,200.00	870,000.00		4,505,200.00	2,500,000.00	475,000.00	290,000.00	3,900,000.00	1,800,000.00	8,965,000.00	(4,459,800.00)	2,154,350.86
Grand Total	125,041,843.86	12,755,958.97	12,685,753.04	150,483,555.86	109,555,963.32	16,447,854.88	8,353,343.52	6,881,577.76	18,314,168.61	161,552,908.09	(11,069,352.23)	
Operating Revenue				137,727,596.92								
Expenditures:												
Bulk Power				(109,555,963.32)								
Operating Expense				(16,447,854.88)								
Debt Service				(6,881,577.76)								
Other Expenditures				(18,314,168.61)								
Subtotal				(153,199,356.57)								
Difference				(15,471,967.65)								

Electric Utility Cash  
From January 2002 through December 2002

Exhibit F

Date	Operating Revenue	Capital Revenue	Other Revenue	Revenue Total	Bulk Power	Operating Exp	Capital Expenditures	Debt Service	Other Expenditures	Exp Total	Net Cash Activity	Cash Balance
Beginning Cash Balance												3,158,138.97
2002/1	3,820,205.00	817,851.38	8,229,126.05	12,867,182.43	8,631,422.65	702,555.71	144,865.79	368,948.32		9,847,792.47	3,019,389.96	6,177,529.93
2002/2	3,362,753.00	-	50,356.66	3,433,109.66	3,063,338.33	543,429.34	214,407.39		0.00	3,821,176.06	(388,066.40)	5,789,463.53
2002/3	3,522,202.00		6,147.68	3,528,349.68	3,745,828.68	668,338.20	291,373.43			4,705,540.31	(1,177,190.63)	4,612,272.90
2002/4	3,613,111.00	932,026.99		4,545,137.99	118,232.23	652,938.44	212,531.74		288,040.55	1,271,743.96	3,273,394.03	7,885,666.93
2002/5	3,281,071.00		802,861.42	4,083,932.42	6,803,008.18	536,550.11	243,400.03		0.00	7,582,958.32	(3,499,025.90)	4,386,641.03
2002/6	3,667,626.00	-	554,048.41	4,221,674.41	3,923,728.00	830,429.72	207,627.61	1,221,194.44		6,182,979.77	(1,961,005.36)	2,425,635.67
2002/7	4,669,659.00			4,669,659.00	3,611,348.71	584,958.32	139,102.44		641,780.61	4,977,190.08	(307,531.08)	2,118,104.59
2002/8	5,132,079.84	721,546.27		5,853,626.11	3,133,300.49	612,059.24	195,765.17		115,422.55	3,941,147.45	1,912,478.66	4,030,583.25
					3,265,770.00					3,265,770.00	(3,265,770.00)	3,469,383.25
2002/9	4,989,100.00			4,989,100.00	3,100,000.00	475,000.00	290,000.00		1,800,000.00	5,665,000.00	(675,900.00)	2,793,483.25
2002/10	5,528,500.00	624,867.61		6,153,367.61	2,400,000.00	475,000.00	290,000.00			3,165,000.00	2,988,367.61	5,781,850.86
2002/11	4,352,600.00			4,352,600.00	2,400,000.00	475,000.00	290,000.00			3,165,000.00	1,187,600.00	6,969,450.86
2002/12	3,717,300.00			3,717,300.00	2,400,000.00	475,000.00	290,000.00		1,800,000.00	4,965,000.00	(1,247,700.00)	5,721,750.86
Grand Total	49,676,506.84	3,096,292.25	9,642,540.22	62,415,339.31	43,776,008.27	7,031,260.08	2,809,073.60	1,590,142.76	4,645,243.71	59,851,728.42	2,563,610.89	

Operating Revenue	59,319,047.06
Expenditures:	
Bulk Power	(43,776,008.27)
Operating Expense	(7,031,260.08)
Debt service	(1,590,142.76)
Other Expenditures	(4,645,243.71)
Subtotal	(57,042,654.82)
Difference	2,276,392.24

Exhibit G

Electric Utility Cash  
From July 2002 through June, 2003

Date	Operating Revenue	Capital Revenue	Other Revenue	Revenue Total	Bulk Power	Operating Exp	Capital Expenditures	Debt Service	Other Expenditures	Exp Total	Net Cash Activity	Cash Balance
Beginning Cash Balance												2,425,838.07
2002/7	4,669,659.00	-		4,669,659.00	3,611,348.71	564,958.32	139,102.44		641,780.61	4,977,190.08	(307,531.08)	2,118,104.59
2002/8	5,132,079.84	721,546.27		5,853,626.11	3,611,348.71	612,059.24	195,765.17		115,422.55	4,517,048.66	6,735,153.25	3,459,363.25
2002/9	4,989,100.00			4,989,100.00	3,100,000.00	475,000.00	290,000.00		1,800,000.00	5,665,000.00	(675,900.00)	2,783,463.25
2002/10	5,528,500.00	624,867.61		6,153,367.61	2,400,000.00	475,000.00	290,000.00		3,165,000.00	2,985,367.61	5,761,850.66	6,969,450.66
2002/11	4,352,600.00			4,352,600.00	2,400,000.00	475,000.00	290,000.00		1,800,000.00	4,965,000.00	(1,247,700.00)	5,721,750.66
2002/12	3,717,300.00			3,717,300.00	2,400,000.00	475,000.00	290,000.00		1,800,000.00	4,965,000.00	(1,247,700.00)	5,721,750.66
2003/1	3,524,300.00	870,000.00		4,394,300.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	3,265,000.00	1,129,300.00	6,851,050.66
2003/2	3,548,000.00			3,548,000.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	3,265,000.00	283,000.00	7,134,050.66
2003/3	3,436,800.00			3,436,800.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	3,265,000.00	(1,628,200.00)	5,505,850.66
2003/4	3,167,700.00	870,000.00		4,037,700.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	3,265,000.00	772,700.00	6,278,550.66
2003/5	3,600,600.00			3,600,600.00	2,500,000.00	475,000.00	290,000.00		1,800,000.00	3,265,000.00	335,600.00	6,614,150.66
2003/6	3,635,200.00	870,000.00		4,505,200.00	2,500,000.00	475,000.00	290,000.00	3,900,000.00	1,800,000.00	8,965,000.00	(4,459,800.00)	2,154,350.66
Grand Total	49,301,838.84	3,956,413.88	-	53,258,252.72	32,490,449.20	5,947,017.56	3,234,867.61	3,900,000.00	7,857,203.16	53,529,537.53	(271,284.81)	

Operating Revenue 49,301,838.84

Expenditures:

Bulk Power (32,490,449.20)

Operating Expense (5,947,017.56)

Debt service (3,900,000.00)

Other Expenditures (7,857,203.16)

Subtotal (50,294,669.92)

Difference (992,831.08)